

BUYERS IN TEHERAN PAID \$12 MILLION FOR 2,008 MISSILES

By **STEPHEN ENGELBERG**

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WASHINGTON, Nov. 21 — The controversy over the Reagan Administration's policy toward Iran grew more heated today with the disclosure that the Teheran Government had paid at least \$12 million for a shipment of 2,008 American-made anti-tank missiles and that the money had been deposited in a Swiss bank account.

According to a source familiar with the transaction involving the missiles, known as TOW's, many of the armaments came from Israeli stockpiles. Israel, in turn, used the money from the Iranians to pay this country for replacements sent from American stocks.

The House majority leader, Jim Wright of Texas, told reporters about the \$12 million after he emerged from a closed-door House hearing at which the chief Administration witness was William J. Casey, the Director of Central Intelligence. Congressional sources said the money had been deposited in Switzerland.

Shultz Describes Talks

Secretary of State George P. Shultz, on a trip to Ottawa today, said he had taken part in two "full-scale discussions" with President Reagan and other officials before Mr. Reagan cleared the sale of arms to Iran. But he refused to comment on an assertion that he had been told "repeatedly and often" about details of the operation.

The hearings here today, which involved the Senate Intelligence Committee as well as its House counterpart, were the first time members of Congress were formally briefed on the Iran program, nearly 11 months after President Reagan signed an order authorizing covert arms shipments. The order said Congress would not be informed of the action because of security risks and the extreme sensitivity of the operation.

The reaction from members of Congress who received the Administration's detailed briefings was sharp and critical, even from Republicans.

'Clumsy and Amateurish'

Senator Robert C. Byrd, the Democratic leader, said, "I find on the basis of what I've heard, and I'm not saying what I've heard, that this whole operation, its genesis and the carrying out of it was incredibly clumsy and amateurish."

Senator Daniel Patrick Moynihan, Democrat of New York, a former member of the Intelligence Committee, who attended the briefing, said simply, "I can't believe what I heard, and I don't."

Congressional officials who were present characterized both the House and Senate hearings as stormy and

tense but said Mr. Casey gave detailed testimony.

As he was leaving the hearing, Mr. Casey was asked whether the law had been violated, and he said, "Oh, no, no, no."

Mr. Casey and the other witnesses at the Senate and House committee hearings, as is customary, did not testify under oath.

Senator Mitch McConnell, Republican of Kentucky, said "there was at least a technical violation of the law" on notifying Congress. "My counsel to the Administration would be to call this one a mistake, and move on."

The day began when members of the House Senate committees met with Vice Adm. John M. Poindexter, the national security adviser, at the White House. Then the briefings began at the Capitol. First, the House heard from Mr. Casey for two hours. Then the Senate met with him for nearly three hours, and the House then resumed its meeting for several more hours.

In Teheran, the Chief Justice of the Iranian Supreme Court, Ayatollah Mousavi Ardebili, said the controversy in Washington represented the Islamic Government's "biggest victory in the world's political arena."

The judge, speaking at Teheran University, said that President Reagan "caused an explosion" and that the United States was now "trying to stop the fire from catching its skirt." The Associated Press reported.

Senate and House rules prohibit the public discussion of closed testimony, and members were circumspect in their remarks on the hearings. Several members said, however, that the sessions would be the first in a series on the Iran program.

"The members are kind of shell-shocked right now," said a Congressional aide, who said further hearings could be expected.

Several members of Congress said they were surprised to learn from the hours of testimony that no single official in the Administration knew the answers to all the questions that have arisen. They suggested that this may indicate serious shortcomings in the management of the covert operation.

The Administration's briefings to members of Congress today were said to have raised new questions over Israel's role in shipping the arms. According to a Congressional official, Mr. Casey told Congress that the first Israeli shipment to Iran, in September 1985, had not been authorized.

Israel was reportedly chastised for sending the arms, the official quoted Mr. Casey as saying.

But Israeli officials have insisted that the first shipment was authorized by Robert C. McFarlane, who was President Reagan's national security adviser at the time.

The misunderstanding, if it occurred, appears to involve a meeting between Mr. McFarlane and David Kimche, then the director general of the Israeli Foreign Ministry. Sources familiar with the talks have said Mr. Kimche believed that he had been given approval to ship the weapons. Mr. McFarlane said this week that it was a mistake to send arms to Iran.

Last January the issue was apparently resolved when President Reagan, over the objections of senior advisers, signed a classified order setting up the shipments to Iran. Israel then played an important role as a conduit.

In a letter to Mr. Reagan written immediately after the hearing ended, Senator Dave Durenberger, the chairman of the Intelligence Committee, and Senator Patrick J. Leahy, its vice chairman, wrote that "excessive compartmentation of this program may have led to mistakes in its formulation and implementation."

Compartmentation is a term from the intelligence world that refers to limiting the knowledge of officials to only what they "need to know."

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William J. Casey, Director of Central Intelligence, arriving for hearings on Iran arms deal.